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# *Q4 Denmark ApS*

C/O Regus - Copenhagen, Ny Christiansborg, Christians  
Brygge 28, DK-1559 København

## Annual Report for 2023

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CVR No. 38 02 36 08

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the  
company  
on 8/7 2024

Darrell Heaps  
Chairman of the  
general meeting



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# Management's statement

The Executive Board has today considered and adopted the Annual Report of Q4 Denmark ApS for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 8 July 2024

## Executive Board

Darrell Heaps  
CEO

Leslie Lewis Westhaver  
Executive Officer

Kenneth Jo-Hung Szeto  
Executive Officer

# Independent Practitioner's Extended Review Report

To the shareholder of Q4 Denmark ApS

## Conclusion

We have performed an extended review of the Financial Statements of Q4 Denmark ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Based on the work performed, in our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

## Basis for Conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## Management's responsibility for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## Practitioner's responsibilities for the extended review of the Financial Statements

Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures to obtain limited assurance in respect of our conclusion on the Financial Statements and, moreover, that we perform supplementary procedures specifically required to obtain additional assurance in respect of our conclusion.

An extended review consists of making inquiries, primarily of Management and others within the enterprise, as appropriate, and applying analytical procedures and the supplementary procedures specifically required as well as assessing the evidence obtained.

# Independent Practitioner's Extended Review Report

An extended review is less in scope than an audit and, consequently, we do not express an audit opinion on the Financial Statements.

Hellerup, 8 July 2024

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Martin Sloth Langhoff Hansen

State Authorised Public Accountant

mne36027

Anders Røjleskov

State Authorised Public Accountant

mne28699

## Company information

<b>The Company</b>	Q4 Denmark ApS C/O Regus - Copenhagen, Ny Christiansborg Christians Brygge 28 1559 København  CVR No: 38 02 36 08 Financial period: 1 January - 31 December Municipality of reg. office: København V
<b>Executive Board</b>	Darrell Heaps Leslie Lewis Westhaver Kenneth Jo-Hung Szeto
<b>Auditors</b>	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

## Income statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
<b>Gross profit</b>		<b>1,617,808</b>	<b>6,996,350</b>
Staff expenses	3	-2,125,269	-3,047,056
Depreciation and impairment losses of property, plant and equipment	4	0	-34
<b>Profit/loss before financial income and expenses</b>		<b>-507,461</b>	<b>3,949,260</b>
Financial income		888,745	0
Financial expenses		-56,008	-1,924,489
<b>Profit/loss before tax</b>		<b>325,276</b>	<b>2,024,771</b>
Tax on profit/loss for the year	5	-72,450	-445,231
<b>Net profit/loss for the year</b>		<b>252,826</b>	<b>1,579,540</b>
 <b>Distribution of profit</b>			
		2023	2022
		DKK	DKK
<b>Proposed distribution of profit</b>			
Retained earnings		252,826	1,579,540
		<b>252,826</b>	<b>1,579,540</b>

## Balance sheet 31 December

### Assets

	Note	2023	2022
		DKK	DKK
Trade receivables		5,172,520	4,327,302
Receivables from group enterprises		0	7,598,249
Other receivables		4,246	397,283
Corporation tax		525,162	0
Prepayments		732,026	797,407
<b>Receivables</b>		<b>6,433,954</b>	<b>13,120,241</b>
Cash at bank and in hand		15,181,796	571,062
Current assets		21,615,750	13,691,303
Assets		21,615,750	13,691,303



## Balance sheet 31 December

### Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		50,000	50,000
Retained earnings		3,786,251	3,533,425
<b>Equity</b>		<b>3,836,251</b>	<b>3,583,425</b>
Provision for deferred tax		0	98,920
<b>Provisions</b>		<b>0</b>	<b>98,920</b>
Prepayments received from customers		1,462,895	3,097,926
<b>Long-term debt</b>	6	<b>1,462,895</b>	<b>3,097,926</b>
Prepayments received from customers	6	8,277,482	5,602,900
Trade payables		247,893	193,302
Payables to group enterprises		7,033,162	0
Corporation tax		290,083	400,682
Other payables		467,984	714,148
<b>Short-term debt</b>		<b>16,316,604</b>	<b>6,911,032</b>
<b>Debt</b>		<b>17,779,499</b>	<b>10,008,958</b>
<b>Liabilities and equity</b>		<b>21,615,750</b>	<b>13,691,303</b>
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## Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	50,000	5,395,384	5,445,384
Net effect of correction of material misstatements	0	-1,861,959	-1,861,959
Adjusted equity at 1 January	50,000	3,533,425	3,583,425
Net profit/loss for the year	0	252,826	252,826
<b>Equity at 31 December</b>	<b>50,000</b>	<b>3,786,251</b>	<b>3,836,251</b>

# Notes to the Financial Statements

## 1. Unusual conditions

Management had re-assessed the Transfer Pricing calculation for 2022 and identified a material error in the amount recognised in the financial statements for 2022. Consequently the income statement for 2022 has been restated. The restatement of the comparison figures has led to an adjustment of gross profit of 2,387 kDKK (expense) and an adjustment of tax on profit for the year of 525 kDKK (income), which is considered as a material misstatement. The total adjustment of result of year for 2022 is 1,862 kDKK (expense) which has been adjusted in equity.

Comparable figures have been restated.

## 2. Key activities

The purpose of the Company is to establish, maintain and develop its Investor Relations software solutions and other capital market-related services and products as well as other related activities.

## 3. Staff Expenses

	2023	2022
	DKK	DKK
Wages and salaries	2,006,610	2,899,075
Pensions	93,217	139,070
Other staff expenses	25,442	8,911
	<u>2,125,269</u>	<u>3,047,056</u>
Average number of employees	<u>3</u>	<u>3</u>

## 4. Depreciation and impairment losses of property, plant and equipment

	2023	2022
	DKK	DKK
Depreciation of property, plant and equipment	0	34
	<u>0</u>	<u>34</u>

## Notes to the Financial Statements

	2023	2022
	DKK	DKK
<b>5. Income tax expense</b>		
Current tax for the year	170,698	440,682
Deferred tax for the year	-98,920	5,112
Adjustment of tax concerning previous years	672	-563
	<u>72,450</u>	<u>445,231</u>

	2023	2022
	DKK	DKK
<b>6. Long-term debt</b>		

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

### Prepayments received from customers

After 5 years	0	0
Between 1 and 5 years	1,462,895	3,097,926
Long-term part	1,462,895	3,097,926
Within 1 year	8,277,482	5,602,900
	<u>9,740,377</u>	<u>8,700,826</u>

	2023	2022
	DKK	DKK
<b>7. Contingent assets, liabilities and other financial obligations</b>		

### Charges and security

The following assets have been placed as security with bankers:

Account receivables	5,172,520	4,327,302
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The asset have been placed as security for an indemnity bond of USD 1,100,000 to Silicon Valley Bank

## Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	DKK	DKK
<b>7. Contingent assets, liabilities and other financial obligations</b>		
<b>Rental and lease obligations</b>		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	58,462	50,010
	<u>58,462</u>	<u>50,010</u>

There are no security and contingent liabilities at 31 December 2023.

## 8. Related parties and disclosure of consolidated financial statements

### Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

<u>Name</u>	<u>Place of registered office</u>
Q4 Inc.	99 Spadina Ave. Suite 500, Toronto, Ontario, M5V 3P8, Canada

The Group Annual Report of Q4 Inc. may be obtained at the following address:

99 Spadina Ave.  
Suite 500  
Toronto, Ontario, M5V 3P8  
Canada

## 9. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

# Notes to the Financial Statements

## 10. Accounting policies

The Annual Report of Q4 Denmark ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in DKK.

### Correction of material misstatements

Reference is made to note 1 regarding adjustment of material misstatement.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

## Income statement

### Revenue

Revenue from the sale of services is recognised when control over the services transfers to the purchaser, the revenue can be measured reliably, which according to IFRS 15 takes place at the time when control of the service delivered passes to the customer

## Notes to the Financial Statements

Revenue from our website product, which allows customers to host their websites on Q4 software over a term, is provided on a subscription basis. Revenue from the subscription, which includes the website hosting and ongoing support services are billed and initially recorded as deferred revenue and are subsequently recognized as revenue on a ratable basis over the term of the contract once the website is launched. Initial website implementation fees do not have stand-alone value because they are only sold in conjunction with a subscription to the Company's platform and can only be provided by the Company. The initial implementation is not a separate performance obligation and is therefore recognized on the same basis as website hosting. Revenue associated with additional design services after the initial implementation is recognized in the period performance is complete.

Revenue from our virtual events products is recognized at the time the event occurs. When annual contracts are entered into, the balances are recorded as deferred revenue and are recognized as revenue in the period in which the event takes place.

Revenue from our CRM product is provided on a subscription basis. Revenue from these subscriptions, which also include ongoing support services is billed and initially recorded as deferred revenue and is subsequently recognized as revenue on a ratable basis over the term of the contract.

Revenue from our analytics product is provided on a subscription basis. Revenue from these subscriptions, which also include ongoing support services is billed and initially recorded as deferred revenue and is subsequently recognized as revenue on a ratable basis over the term of the contract.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

### Expenses for raw materials and consumables

The company's expenses for raw materials and consumables consist of website implementation costs and virtual event product costs.

### Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

### Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses for raw materials and consumables and other external expenses.

### Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise depreciation and impairment of property, plant and equipment.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

# Notes to the Financial Statements

## Balance sheet

### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5 years
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

### Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation. If so, the asset is written down to its lower recoverable amount.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Prepayments

Prepayments comprise prepaid expenses concerning rent, subscriptions and deferred commission in relation to IFRS 15.

### Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

### Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.



# Notes to the Financial Statements

## Financial liabilities

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.